



State of Utah

Department of Natural Resources

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Executive Director

Division of Oil, Gas & Mining

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Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

November 28, 2006

Mr. Provstgaard
808 West 5950 South
Palmyra, Utah 84660

Subject: Summary of Requirements in Response to Letter, Requirement to Post Reclamation Surety, dated November 20, 2006, Michael S. Provstgaard, Lost Sheep Mine Site, S/023/029, Juab County, Utah

Dear Mr. Provstgaard :

Thank you for your recent inquiry responding to the Division letter dated November 20, 2006. This letter provided information about the recent rule changes resulting in reclamation surety requirements for small mines and exploration projects within the state of Utah.

It has been determined the required bond amount for your site is **\$18,600** based on your current approved Small Mine Notice of Intention requesting five acres of disturbance. The Division realizes that you stated in a phone conversation with Tom Munson on December 26, 2006 that you have 1 acre of disturbance. Since your permit is for 5 acres of disturbance and the bond for five acres is \$18,600, you will want to amend your Small Mine Notice of Intention and bond amount. Therefore, please submit an accurate map of the appropriate scale (1 inch = 200 feet) to show what your current disturbed area is delineating the acreage of mining related disturbance you are responsible for. Once this map is approved by the Division and the BLM and the acreage accepted, a new bond amount can be determined.

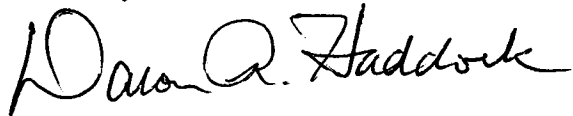
A small mine reclamation contract is enclosed. It must be signed by an authorized person within the company, notarized and returned in its original form to the Division, attention Minerals Regulatory Program by the deadline.

As a reminder, the deadline to complete this process (approved reclamation surety and reclamation contract) is December 8, 2006.

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The Division appreciates your attentiveness and responsiveness to the rule changes that have occurred resulting in this reclamation surety requirement. If you have any questions or require discussion regarding the content of this letter, please contact Beth Ericksen (801) 538-5318.

Sincerely,

A handwritten signature in black ink that reads "Daron A. Haddock". The signature is fluid and cursive, with the first name "Daron" being more prominent than the last name "Haddock".

Daron Haddock
Permit Supervisor
Minerals Regulatory Program

SMW:BE:pb

Enclosures: small mine reclamation contract

cc: Beth Ericksen, DOGM

Tom Munson, DOGM

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